Vol.3, No. 5

December 2007

Waterworks: New Rate Structure
Becomes Urgent
A drought is
never welcomed
news, especially
one of the
magnitude we're
experiencing now

the worst in our area's recorded history. But this drought could not have come at a worse time. The pressure on the City of Dahlonega's leadership to manage competing demands and unexpected impacts is enormous. As this edition of *City Limits* went to press, it was apparent the EPD-required conservation water rate structure the city expected to implement soon instead would have to be implemented *immediately*. If the new rates have not been put in place by the time you read this newsletter, you can be sure they will be by January.

Following is a (simplified) blow-byblow look at how several difficult water-related issues have come together at once for the City of Dahlonega, and how these issues will impact public water customers in our community.

Water Plant Progress. After several years of planning and preparation, the city is slated to award contracts for raw water intake and distribution lines and for a new water plant in January and February, respectively. The plant and distribution system are scheduled for completion in early 2010. In order to award the contracts, the city must have the \$22 million cost of the project "in hand."

Paying for the System. The project will be financed through the issuance of water/sewer revenue bonds. A portion of customers' water bill payments will be applied toward repayment of the bonds over a 30-year period, with SPLOST funds and any additional funding the city may receive also being applied. The city has worked very hard over the past several years to ensure its water system's credit rating is excellent and its books are in impeccable order so its revenue bonds would be attractive to investors and the city would qualify for the lowest possible interest rates. One requirement

(please continue reading, page 2)

Plugging the Square

If the twinkling lights on Dahlonega's historic Public Square seem extra brilliant this Christmas, well, it may be there's an extra measure of holiday spirit in the air. Then again, it could be because the entire square was rewired this Fall. The City of Dahlonega, the Dahlonega-Lumpkin County Chamber of Commerce and the Dahlonega Downtown Development Authority joined forces—and pooled funds—to have all the underground wiring running to the outdoor receptacles replaced and to increase the wattage carried to the receptacles. Many decrease

and to increase the wattage carried to the receptacles. Many decades worth of piecemealed electrical projects had produced a hodgepodge of wires. Replacement of the wiring makes a safer and more functional setting for our Old Fashioned Christmas celebration and the many other festivals hosted throughout the year.

Show Me the Water
If the drought were to last another 18 months, as experts now say it very well could, state officials have expressed concern that Dahlonega could find itself in trouble. The Georgia Environmental Protection Division has asked the city to begin now looking for

alternate water supplies in case

Georgia Council for the Arts Comes Through Again Dahlonega's ever-popular Appalachian Jam sessions on the square will return in 2008, thanks to a \$1,700 grant from the Georgia Council for the Arts. The funds support the hiring of a group each week of the program to "lead" the

Georgia COUNCIL FOR THE Arts

jam sessions. Others are encouraged to play and sing along or start their own jams around the Public Square. Appalachian Jam on the Square will start back up at the end of April and run through the end of October. Organizers estimate 8,000 to 10,000 people participated in the fun—either as musicians or audience members—during the 2007 season.

Water Emergency After Business Hours?

Call Lumpkin County
Communications'
Non-Emergency Phone #
(706) 864-3633

Yahoola Creek at some point ceases to be a source for us. City manager Bill Lewis is already on it. He has requested from the city's consulting engineers a scope of work and cost estimates on identifying and

activating alternative water sources, which he will present to the city council. The EPD has even indicated the state is willing to work with the city to find another supply of water if necessary.

Wrapping Up the Year

City employees will be wrapping up 2007 with a few days off. City Hall and all city departments and offices will be

closed on Dec. 24 and 25 for Christmas holidays and on Jan. 1 for New Year's Day. Falling at the beginning of the week this year, the holidays will not make

necessary any changes in the garbage or recycling pick-up schedules for residences or businesses. When it's all over, please plan to take your Christmas tree to the Bring One for the Chipper recycling event behind City Hall on Saturday, Jan. 5. Trees will be chipped, and the mulch will be used for ground cover in the city's public areas and offered to residents free of charge. Besides creating something good for the environment, the recycling event helps reduce the number of unsightly discarded Christmas trees left by the curb for pick-up. Whether you leave your tree at the curb or take it to be recycled, please make sure to remove any nails and decorations that could cause injury. For details on Bring One for the Chipper, call City Hall at (706) 864-6133.





City of Dahlonega . . . continued from reverse side

(Waterworks, continued from page 1)

of the bond sale: the water system's rates must generate enough revenue to cover its bond payments.

Water Rates Brought in the Money—Until This Drought. The city's financial package was looking good for the total \$26 million bond issuance. Then a Level 4 drought response was declared in October, shutting off the spigots for virtually all outdoor watering. Then the state announced all water withdrawal permit holders had to cut their water withdrawal amounts by 10%, compared with last winter, or face stiff fines and penalties. The community got serious about water conservation, which was great, except that . . .

Reduced Water Use = Reduced Revenue. With customers doing such a great job of cutting back on their water use, water bills got lower. All of a sudden, the city's rates were no longer able to generate enough revenue to cover the anticipated bond payments, as required. In order to sell the bonds that will enable it to let the contracts for the water plant project, the city must have its new rate structure in place so it applies to customers' January water use (reflected on February billing).

Adopting a New Conservation Rate Structure. Fortunately, the city was in position to act quickly to meet the challenges unfolding before it. City Manager Bill Lewis and the staff already were working with a water rate consultant on a new "tiered" rate structure. The new system will, as required by the state Environmental Protection Division, reward those using the least amount of water and charge the heaviest users a premium rate.

"We believe the conservation rate structure required by the state and necessary for the issuance of water/ sewer revenue bonds for the construction of the new water plant will accomplish what it's meant to accomplish," Bill Lewis says. "It will be an incentive for us to conserve water and reduce our use of discretionary water—water we'd like to use but don't *need*. We only wish we'd had more time to involve the public and prepare our customers."

Listening for Leaks

The City of Dahlonega has brought in the Georgia Rural Water Association to provide an extra set of "ears" to help find leaks in the city's 53 miles of water pipes.

Despite the best efforts of staff to minimize leaks, a fairly high number of gallons of water remains unaccounted for each month. This is somewhat typical in areas with high elevation terrain, where gravity creates enormous pressure on water pipes at the bottom of steep inclines. If the water escaping from a leaking pipe doesn't come up to the surface, where someone can see it, the city has no way of knowing there's a problem. The Georgia Rural Water Association is using SONAR technology to listen to the pipe lines. Differences in sound waves alert technicians to breaks in the pipes. The method isn't foolproof—it works best on steel and cast iron pipes and won't be a lot of help on PVC sections—but every leak found is that much more water that won't be wasted. The city expects to spend around \$10,000 on the leak detection survey. Repairs are being handled by city crews.

Extra Law Enforcement for Commercial District Beginning in January,



citizens can expect to see some extra law enforcement feet on

Dahlonega's Commercial District beat. The city and the Lumpkin County Sheriff's Office have worked out an arrangement that will bring enhanced policing services back to portions of Dahlonega. With final contracts expected to be signed by the end of the month, the agreement calls for two full-time officers, each working separate shifts, to provide between them law enforcement services seven days a week. They would concentrate their patrols on the area of the city between Morrison Moore Parkway and Moore's Hardware on North Grove Street, and from West Main Street at Mount Hope Cemetery to East Main Street at Wal-Mart, including the Public Square. The officers will not have designated vehicles, but will alternate between using patrol cars, the city's electric car and bicycles and patrolling on foot. The flexible agreement between the city and Sheriff's Office will cost the city just over \$100,000 for the year and includes an opt out clause in case the arrangement doesn't seem to be accomplishing the intended purpose.

Down the PipelineThe City of

Dahlonega, Lumpkin County, the Lumpkin County Water & Sewerage Authority and local residents and business leaders have joined together to form the Community Drought Management Partnership. A special partnership publication, *Down the Pipeline*, summarizes the serious challenges we face and the steps being taken to cope with the worst drought

How May We Be of Service?



Question? Comment? Problem? Call City Hall at (706) 864-6133. We'll put you in touch with the right person.

City Council

Gary McCullough, Mayor
Michael Clemons
Guy Laboa
Gerald Lord
Sam Norton
Terry Peters
Bill Scott

Bill Lewis, City Manager

Please join us at our meetings! Learn about your government by attending public meetings like these. Find the complete schedule at www.cityofdahlonega.com.

City Council: 1st Monday of each month at 6pm—City Hall

Planning/Zoning Commission: 2nd Monday of each month at 7pm—City Hall

Historic Preservation Commission: 3rd Wednesday of each month at 6pm—City Hall

Dahlonega Downtown Development Authority: 3rd Thursday of each month at 9am--City Hall

in our recorded history. It was distributed in the Dec. 12 edition of The Dahlonega Nugget. Copies are available online and at locations around the community. Call (706) 864-6133 for details.

City of Dahlonega
A Better Hometown/
Main Street Community
465 Riley Rd.
Dahlonega, Georgia 30533
Phone 706-864-6133
Fax 706-864-4837
e-mail:
cityofdahlonega@alltel.net
www.cityofdahlonega.com